Neil G. Marantz ATLAS & MARANTZ LLP 143 Madison Avenue New York, NY 10016 (212) 213-9666

Attorneys for Plaintiff

SOUTHERN DISTRICT OF NEW YORK	-X	
PRODUCTION RESOURCE GROUP L.L.C.,	:	Index No. 07 CV 2936 (PKC)
Plaintiff,	:	
- against -	:	
	:	REPLY TO COUNTERCLAIM
BOSCH REXROTH CORPORATION,	:	
Defendant.	:	
	-x	

Plaintiff, PRODUCTION RESOURCE GROUP L.L.C. ("PRG"), by its attorneys, Atlas & Marantz LLP, as and for its Reply to the Counterclaim contained in Defendant BOSCH REXROTH CORPORATION's Answer, Affirmative Defenses, and Counterclaim to Plaintiff's Complaint (the "Counterclaim"), alleges as follows:

1. Avers that no response is required to paragraph "1" of the Counterclaim and denies all assertions of fact by Bosch Rexroth in the incorporated paragraphs that are inconsistent with the allegations in Plaintiff's Complaint.

- 2. Denies the truth of the allegations contained in paragraphs "2" and "3" of the Counterclaim and respectfully refers the Court to the parties' agreement for any interpretation thereof.
- 3. Denies the truth of the allegations contained in paragraphs "4" and "5" of the Counterclaim.
- 4. Denies the truth of the allegations contained in paragraph "6" of the Counterclaim except that it admits that it paid Bosch Rexroth in full.
- 5. Denies the truth of the allegations contained in paragraph "7" of the Counterclaim except admits that on many occasions it asserted that Bosch Rexroth had failed to satisfy its contractual obligations and that it asked Bosch Rexroth to remedy its defective work.
- 6. Denies the truth of the allegations contained in paragraphs "8" and "9" of the Counterclaim.
- 7. Answering paragraph "10" of the Counterclaim, PRG repeats, realleges and reiterates each and every response to paragraphs "1" through "9" of the Counterclaim as if fully set forth herein.
- 8. Denies the truth of the allegations contained in paragraph "11" of the Counterclaim and respectfully refers the Court to the parties' agreement for any interpretation thereof.
- 9. Denies the truth of the allegations contained in paragraphs "12" through "15" of the Counterclaim.
- 10. Answering paragraph "16" of the Counterclaim, PRG repeats, realleges and reiterates each and every response to paragraphs "1" through "15" of the Counterclaim as if fully set forth herein.

- 11. Denies the truth of the allegations contained in paragraphs "17" through "19" of the Counterclaim.
- 12. Answering paragraph "20" of the Counterclaim, PRG repeats, realleges and reiterates each and every response to paragraphs "1" through "19" of the Counterclaim as if fully set forth herein.
- 13. Denies the truth of the allegations contained in paragraphs "21" through "23" of the Counterclaim.

AS AND FOR A FIRST AFFIRMATIVE DEFENSE

- 14. The Counterclaim fails to state a cause of action against PRG.
- 15. By reason of the foregoing, the Counterclaim must be dismissed.

AS AND FOR A SECOND AFFIRMATIVE DEFENSE

- 16. The Counterclaim is barred by reason of Bosch Rexroth's unclean hands.
- 17. By reason of the foregoing, the Counterclaim must be dismissed.

AS AND FOR A THIRD AFFIRMATIVE DEFENSE

- 18. The Counterclaim is barred by reason of Bosch Rexroth's waiver.
- 19. By reason of the foregoing, the Counterclaim must be dismissed.

AS AND FOR A FOURTH AFFIRMATIVE DEFENSE

- 20. The Counterclaim is barred by the doctrine of estoppel.
- 21. By reason of the foregoing, the Counterclaim must be dismissed.

AS AND FOR A FIFTH AFFIRMATIVE DEFENSE

22. So much of the Counterclaim that seeks recovery in quasi contract, unjust

enrichment and/or quantum meruit is barred by the existence of a written contract between the

parties covering the matter in question.

By reason of the foregoing, the Counterclaim must be dismissed. 23.

WHEREFORE, Plaintiff PRODUCTION RESOURCE GROUP, L.L.C. demands

judgment against Defendant BOSCH REXROTH CORPORATION dismissing the Counterclaim

in its entirety, and that Plaintiff have such other, further and different relief as the Court may

determine is just, proper or equitable in the circumstances, together with attorney's fees and the

costs and disbursements of this action.

Dated: New York, New York

July 25, 2007

Yours, etc.

ATLAS & MARANTZ LLP

Attorneys for Plaintiff

143 Madison Avenue

New York, NY 10016

(212) 213-9666

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